

AO 91 (Rev. 11/11) Criminal Complaint

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UNITED STATES DISTRICT COURT

for the

Southern District of Texas

United States Courts
Southern District of Texas
FILED

May 09, 2018

David J. Bradley, Clerk of Court

United States of America

v.

Yusufali Murtaza Juma

Case No. **4:18mj0758**

Defendant(s)

CRIMINAL COMPLAINT

I, the complainant in this case, state that the following is true to the best of my knowledge and belief.

On or about the date(s) of 10/01/13 to on or about 01/30/18 in the county of Harris and elsewhere in the
Southern District of Texas, the defendant(s) violated:

Code Section

18 USC Section 2320

Offense Description

Trafficking in counterfeit goods or services

This criminal complaint is based on these facts:

See attached affidavit

☒ Continued on the attached sheet.



Complainant's signature

Corbin Wickman, Special Agent

Printed name and title

Sworn to before me telephonically.

Date: May 09, 2018

City and state: Houston, Texas



Judge's signature

Dena Hanovice Palermo, U.S. Magistrate Judge

Printed name and title

IN THE UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

UNITED STATES OF AMERICA)	
)	
v.)	4:18-mj-758
)	
Murtaza Yusuf JUMA and)	
Yusufali Murtaza JUMA)	
)	

AFFIDAVIT IN SUPPORT OF A CRIMINAL COMPLAINT

I, Corbin Wickman, Special Agent with the United States Department of Homeland Security (“DHS”)/Homeland Security Investigations (“HSI”), being duly sworn, depose, and state the following:

1. This affidavit is submitted in support of a criminal complaint and arrest warrant charging Murtaza Yusuf JUMA (hereinafter “Murtaza JUMA”) and Yusufali Murtaza JUMA (hereinafter “Yusuf JUMA”) with intentionally, unlawfully, and knowingly conspiring with others, known and unknown, in the trafficking of computer networking hardware and memory from Hong Kong and China into the Southern District of Texas and elsewhere, knowing that these computer networking hardware and memory parts were counterfeit, and distributing these parts within the Southern District of Texas and elsewhere, all in violation of 18 U.S.C. § 2320(a)(1).

2. This affidavit is for the limited purpose of obtaining a criminal complaint and arrest warrant. It is not intended to include each and every fact and matter observed by me or known to the government.

3. I have been employed by HSI as a Special Agent since 2005. During my tenure as an HSI Special Agent, I have participated in numerous criminal investigations involving intellectual property, financial crimes, fugitive apprehensions, white collar crime, as well as other unlawful

activities. During my time as an HSI Special Agent I have also participated in numerous searches, arrests and seizure warrants involving a variety of federal offenses. I am currently assigned to the Houston, Texas Division of HSI.

4. The facts and information contained in this Affidavit are based on my personal knowledge, as well as on the observations of other agents and officers involved in this investigation.


5. Title 18 of the United States Code, Section 2320, provides, in relevant part, that whoever intentionally traffics in goods or services and knowingly uses a counterfeit mark on or in connection with such goods or services, or traffics in labels, patches, stickers, wrappers, badges, emblems, medallions, charms, boxes, containers, cans, cases, hangtags, documentation, or packaging of any type or nature, knowing that a counterfeit mark has been applied thereto, the use of which is likely to cause confusion, to cause mistake, or to deceive, shall be guilty of a federal offense.


6. Special Agents with HSI, along with U.S. Customs and Border Protection (CBP) Officers, are authorized by law to inspect merchandise and individuals who are either entering or departing the borders of the United States without warrant. This authority is described in Title 19 of the United States Code, Sections 482, 1467, 1496, 1581 and 1582.


7. Pursuant to 18 U.S.C. § 981(a)(1)(C), any property, real or personal, which constitutes or is derived from proceeds traceable to a violation of 18 U.S.C. § 2320 is subject to civil forfeiture. In addition, pursuant to 18 U.S.C. § 2323(a)(1), any property constituting or derived from any proceeds obtained directly or indirectly as a result of the commission of an offense in violation of 18 U.S.C. § 2320 is subject to civil forfeiture.

Probable Cause

8. Hewlett Packard (HP), Cisco Systems, Inc. (Cisco) and Intel Corporation (Intel) are American companies engaged in the design, manufacturing, and selling of computer networking and memory hardware that are subject to multiple federal trademark registrations. Many of the products manufactured by HP, Cisco, and Intel comprise the backbone of America's modern communication infrastructure, including numerous governmental computer networks. Counterfeit HP, Cisco, and Intel products are not quality-controlled and could cause entire computer networks to falter or experience significant losses of data.

9. HP owns U.S. Trademark Registration Number 1,842,724 for the logo: ; U.S. Trademark Registration Number 1,840,215 for a word mark bearing the letters "HP"; and U.S. Trademark Registration Number 2,296,865 for the "ProCurve" word mark.

10. Cisco owns U.S. Trademark Registration Number 3,759,451 for its word mark and bridge logo , in addition to U.S. Trademark Registration Number 2,498,746 for the "Cisco" word mark.

11. Intel owns U.S. Trademark Registration Number 3,690,667 for the Intel logo:  and U.S. Trademark Registration Number 2,446,693 for the "Intel" word mark.

12. Based on public-source searches and documents obtained in this investigation, "Computer Corporation A," as referenced in this affidavit, was a private company with its principal place of business in the United States, namely in the Southern District of Texas. Cooperating Witness 1 ("CW1") resided within the Southern District of Texas and was the owner of Computer Corporation A. Computer Corporation A was involved in the importation and sale of counterfeit

HP, Cisco and/or Intel computer networking and memory products that were purchased from Cooperating Witness 2 (“CW2”) from in or about April 2007 through in or about February 2014.

13. In March 2016, CW1 pleaded guilty to one count of conspiring to traffic in counterfeit HP and/or Cisco products. Pursuant to his/her plea agreement, CW1 agreed to cooperate with the government in its continuing investigation into CW2 and others. According to CW1, he/she knowingly and intentionally sold and supplied counterfeit HP computer networking products to AGEMICRO LLC (hereinafter “AGEMICRO”) in or around March 2013.

14. CW2 was a China-based supplier of counterfeit HP, Cisco and/or Intel computer networking and memory products from in or about 2007 through in or about July 2017. CW2 and his/her China-based associates used numerous aliases and email accounts to communicate with customers, and numerous PayPal accounts and individual and business bank accounts to receive the proceeds of sales of counterfeit computer parts. CW2 was arrested upon his/her arrival in the United States at Los Angeles, California on July 6, 2017.

15. In December 2017, CW2 pleaded guilty to one count of trafficking in counterfeit HP and Cisco products. Pursuant to his/her plea agreement, CW2 agreed to cooperate with the government in its continuing investigation into AGEMICRO and others. According to CW2, he/she and his/her China-based associates knowingly and intentionally sold and supplied counterfeit HP and Cisco computer networking products to AGEMICRO from in or about October 2013 through in or about December 2016.

16. According to CW2, from in or about October 2013 to in or about June 2015, CW2 caused approximately 27 DHL shipments containing counterfeit HP parts to be sent from China and/or Hong Kong to AGEMICRO. In June 2015, three of the DHL shipments were seized by US Customs and Border Protection (CBP). The shipments consisted of approximately 400 counterfeit

HP parts with an MSRP of approximately \$127,000. From about June 2015 until December 2016, CW2 and his/her associates continued to supply AGEMICRO with counterfeit HP and Cisco parts by first shipping the parts from China and/or Hong Kong to warehouses in the United States, and then from the warehouses to AGEMICRO. In total, CW2 and his/her associates supplied AGEMICRO with approximately 8,000 counterfeit HP and Cisco computer parts with an estimated MSRP value of \$3.4 million from October 2013 to December 2016.

17. According to Florida Department of State records at www.sunbiz.org, AGEMICRO is currently located at 480 Lake Bennett Ct., Longwood, Florida, 32750. Murtaza JUMA is the listed Manager and Registered Agent for AGEMICRO.

18. The investigation has revealed that Murtaza JUMA and his son, Yusuf JUMA, are responsible for all business decisions for AGEMICRO, including purchases from suppliers and sales to customers.

19. As explained more fully below, the information provided by CW1 and CW2 is corroborated by documents obtained from CW1 and CW2, single-party consent recordings between CW1 and Yusuf JUMA, and other documents obtained during the investigation.

Knowledge of Wrongdoing

20. Over the time period described in this Complaint, Murtaza and Yusuf JUMA have used email accounts “juma@agemicro.com,” “yusuf@agemicro.com,” “sales@agemicro.com,” and “ebay@agemicro.com” to communicate with customers and suppliers about the trafficking of counterfeit HP, Cisco and or Intel computer networking and memory products.

21. AGEMICRO maintains an eBay account called “itdepart2013,” which is used to purchase counterfeit HP, Cisco and/or Intel computer networking and memory products, and to communicate with other eBay sellers concerning the price and shipment of the goods.

AGEMICRO maintains PayPal accounts associated with the email address “sales@agemicro.com.” These PayPal accounts are used to pay for counterfeit HP, Cisco and/or Intel computer networking and memory products.

22. Between in or about November 2016 and in or about May 2017, AGEMICRO used its eBay account “itdepart2013” to purchase counterfeit Intel networking parts from eBay seller “fzecn,” located in Shenzhen, China. On or about January 2, 2017, AGEMICRO (“ebay@agemicro.com”) sent a message to eBay seller “fzecn” stating, “We purchase card with part # I350-T4 but receive I350-4T, we have receive card with part number ending with 4T and not T4, looks like this are counterfeit not original, please advise before we report or ship me correct card as replacement.” eBay seller “fzecn” responded, “I’m can ship the label I350-T4 to your address, Just change the Label.” AGEMIRCO responded, “yes please sent I350-T4.”

23. On or about March 29, 2017, AGEMICRO (“ebay@agemicro.com”) sent a message to eBay seller “fzecn” requesting invoices for all of the Intel I350-T4 parts purchased by AGEMICRO. On March 29, 2017, Yusuf JUMA (“yusuf@agemicro.com”) received an email from “outdoor0526@163.com” with the requested invoices. On March 30, 2017, Yusuf JUMA (“yusuf@agemicro.com”) replied to “outdoor0526@163.com” stating, “I need invoice in pdf form...In Description I need it to say the following on each invoice: I350T4V2 INTEL I350-T4 QUAD PORT ADAPTER, brand new, original unit.”

24. On May 24, 2017, Murtaza JUMA (“juma@agemicro.com”) sent an email to “outdoor0526@163.com” requesting invoices for all of the Intel X540-T2 parts purchased by AGEMICRO, stating, “I changed the price & quantity because I do not want the committee to know my cost price, so please use new price on all invoices you will make...” On May 25, 2017, Murtaza JUMA (“juma@agemicro.com”) received an email from “outdoor0526@163.com”

containing six attached invoices, which were prepared in accordance with Murtaza JUMA's instructions.

25. On June 7, 2017, Murtaza JUMA ("juma@agemicro.com") sent an email to "outdoor0526@163.com" stating, "The board requires you to provide some sort of certificate showing you are intel reseller and your items are authentic. you can send me any copy you can make..." On June 7, 2017, Murtaza JUMA ("juma@agemicro.com") received an email from "outdoor0526@163.com" containing an attached photo and stating, "Please check the attachment!" The attached photo was mostly in the Chinese language but contained the Intel logo and trademark and the words "Authorized Distributor" in the English language.

26. Based on my training and experience and a review of emails in this investigation, I believe that Murtaza JUMA's use of the words "committee" and "board" to his supplier of counterfeit Intel parts as described above in paragraphs 24 and 25 was an attempt to deceive the supplier into believing that other AGEMICRO personnel or managers review and/or approve AGEMICRO's purchases. In reality, Murtaza and Yusuf JUMA make all purchasing and sales decisions for AGEMICRO. I have found no evidence to support Murtaza's assertion that a "committee" or "board" requested the invoices or reseller certificate described above.

27. AGEMICRO operates an Amazon.com (hereinafter "Amazon") storefront called "IT SOURCE" to advertise and sell counterfeit HP, Cisco and/or Intel computer networking and memory products. Amazon customers can view the HP, Cisco and/or Intel parts offered by IT SOURCE and purchase them directly, without contacting AGEMICRO. For certain products, AGEMICRO ships directly to its customers. In other instances, AGEMICRO sends large quantities of products to Amazon distribution centers, and Amazon ships to AGEMICRO's customers under the "Fulfillment by Amazon (FBA) Program."

28. Between December 2013 and January 2018, defendants Murtaza JUMA and Yusuf JUMA received numerous warnings from customers and Amazon that they were selling and/or shipping counterfeit goods:

- On December 7, 2013, AGEMICRO (“sales@agemicro.com”) received a policy warning from Amazon, stating, “...we have received complaints that you have sold counterfeit items on our site.”
- On December 30, 2014, AGEMICRO (“sales@agemicro.com”) received a second policy warning from Amazon, stating, “we have received complaints that you have sold counterfeit items on our site.”
- On or about November 19, 2015, AGEMICRO (“sales@agemicro.com”) received a notice from Amazon stating that a customer reported, “Item was not original Cisco product it is a knock off.” Also on or about the same date, AGEMICRO (“sales@agemicro.com”) forwarded the customer’s complaint to Yusuf JUMA, Sales/Purchasing Manager, at “yusuf@agemicro.com” and added the note, “Customer is saying not original Cisco. Better refund him.”
- On December 11, 2015, Murtaza JUMA (“juma@agemicro.com”) received a notice from Amazon that AGEMICRO’s selling privileges had been removed due to numerous complaints, including complaints of inauthentic items. For AGEMICRO’s selling privileges to be restored, Amazon demanded that AGEMICRO provide copies of invoices or receipts from suppliers and supplier contact information. On December 18, 2015, Murtaza JUMA (“juma@agemicro.com”) sent an email to Amazon with 18 attached documents consisting of purchase orders and invoices and stated, “these invoices clearly identify the specific item(s) under review/demonstrate purchase and listing quantities/are

authentic.” The documents show that AGEMICRO sourced some of the parts from CW2. One of the 18 documents, a purchase order for parts purchased from CW2, listed two DHL tracking numbers which were seized by CBP in June 2015, as noted in paragraph 16 above.

- On December 19, 2015, Amazon sent a notice to Murtaza JUMA (“juma@agemicro.com”) stating, “we received negative customer feedback regarding the ASIN listed below...
 - This is not a genuine HP module. All of my switches detect it as counterfeit...This is not a HP module despite was is (sic) indicated by packaging
 - Counterfeit part, did not work with HP switch
 - Switch reports these items as being non-authentic
 - According to HP, this is not only defective but also a counterfeit”

This email from Amazon was forwarded by Murtaza JUMA to Yusuf JUMA (“yusuf@agemicro.com”) on December 21, 2015.

- On January 7, 2016, AGEMICRO (“sales@agemicro.com”) received a notice from Amazon stating that a customer reported, “Items are counterfeit. Cisco TAC confirmed that items are not genuine Cisco...”
- On January 13, 2017, Murtaza JUMA (“juma@agemicro.com”) received a notice from Amazon that a customer requested to return an Intel part because, “What I was sent is NOT a genuine Intel i350-T4V2 NIC. Mine does not match the picture, nor does a detailed exam of the board match; mine looks much like the fake shown here: <http://tinyurl.com/zytk9>.”
- On May 21, 2017, Murtaza JUMA (“juma@agemicro.com”) received a notice from Amazon that a customer requested to return an Intel part because, “NO YOTTA MARK UNIT FAKE.”
- On May 23, 2017, Murtaza JUMA (“juma@agemicro.com”) received a notice from Amazon that AGEMICRO’s listing for an Intel part was removed because of buyer complaints about the authenticity of the items. In order to reinstate the listing, Amazon

demanded that AGEMICRO provide copies of invoices or receipts from suppliers and supplier contact information. On May 25, 2017, Yusuf JUMA (“yusuf@agemicro.com”) sent a draft response to Murtaza JUMA, and then Murtaza JUMA sent the response to Amazon stating, “we only sell Genuine and Authentic Items only!!! We only buy from suppliers that have a great outstanding reputation for authentic products only!!!” The email included attached documents which purported to be authentic invoices from one of AGEMICRO’s eBay suppliers. In reality, the invoices were created by the eBay supplier at the request of Murtaza JUMA with false quantity and price information, as noted in paragraph 24 above. On June 15, 2017, Murtaza (“juma@agemicro.com”) sent another email to Amazon with the document purported to be an Intel “partner and supplier authorization distributor certification” received from one of AGEMICRO’s eBay suppliers, as noted in paragraph 25 above.

- On June 13, 2017, Murtaza JUMA (“juma@agemicro.com”) received two separate notices from Amazon that customers requested to return an Intel part because, “counterfeit cards received with no authentication sticker.”
- On September 10, 2017, Murtaza JUMA (“juma@agemicro.com”) received a notice from Amazon related to an Intel part stating, “we have removed your listing because of a buyer complaint about the authenticity of an item they received from you.” On January 31, 2018, Yusuf JUMA (“yusuf@agemicro.com”) sent a draft response to Murtaza JUMA, and then Murtaza JUMA (“juma@agemicro.com”) sent the response to Amazon stating, “This email will be to appeal and provide information to how we re rectifying the error committed... we have provided invoice and purchase order.” The email included an attached document

which purported to be an authentic invoice from one of AGEMICRO's eBay suppliers. In reality, the invoice was altered with false quantity and price information.

- On January 31, 2018, Amazon sent a notice to Murtaza JUMA ("juma@agemicro.com") related to the Intel part stating, "We cannot accept this invoice because we are unable to verify the supplier. We removed your listings for these items...Please do not relist these items. If we receive more complaints about your listings, we may not allow you to sell on Amazon.com."

29. But despite these and other warnings, Murtaza JUMA and Yusuf JUMA continued to engage in the selling and shipping of counterfeit HP, Cisco and/or Intel computer networking and memory products.

Recent Encounters

30. Between October 2017 and January 2018, I made three purchases of HP, Cisco, and Intel parts at steeply discounted prices from AGEMICRO's Amazon storefront, IT SOURCE. For example, although I paid only \$1,365 USD for 22 HP, Cisco, and Intel parts, the Manufacturer's Suggested Retail Price (MSRP) for these parts, if genuine, would be approximately \$16,000 USD. AGEMICRO arranged to have the HP, Cisco, and Intel parts shipped from locations in Florida and Kentucky to the Southern District of Texas. All of the HP, Cisco, and Intel parts purchased and received from IT SOURCE have been determined by industry representatives to be counterfeit and infringe on one or more trademarks that are registered with the United States Patent and Trademark Office.

31. On December 1, 2017, during a single-party consent recording between CW1 and Yusuf JUMA, Yusuf stated that he handles the purchasing and sales for AGEMICRO. Yusuf also stated that his father, Murtaza, is involved with sales. CW1 asked Yusuf if AGEMICRO could

provide HP computer networking parts. CW1 told Yusuf that he/she had trouble in the past getting the parts through Customs and asked Yusuf if he had any similar experiences. Yusuf told CW1, “Yes, I had a whole bunch of counterfeit that came through and Customs hit me up on it...but then we walked away from all that non-genuine stuff and we found a vendor that was able to supply us all genuine GBICs and networking gear...I’m beyond confident...I guarantee you, with blood, that the only way something comes back, is if it’s defective.” Yusuf further stated, “I had to dump that vendor ...and on top of that, Customs wanted documentation about how legit it was and I sent them documentation...It took about four months for it all to clear up, and now there’s no questions asked.” CW1 called phone number (407) 265-3113, which is AGEMICRO’s listed phone number on its website (www.agemicro.com) and company emails.

32. On November 30, 2017, shortly before the consensually recorded call in the preceding paragraph, CBP officers seized an international mail parcel from China addressed to AGEMICRO containing 10 counterfeit Cisco networking parts with an MSRP of \$5,500. Records received from eBay and PayPal pursuant to Grand Jury subpoenas and email records received from 1&1 Mail & Media Inc. pursuant to search warrants reveal that AGEMICRO purchased the parts from eBay seller “alex_xu10.” CBP sent a Notice of Seizure to AGEMICRO via certified mail and the notice was delivered and accepted on December 11, 2017.

33. On March 29, 2018, CBP officers seized a DHL parcel from Hong Kong addressed to AGEMICRO containing 100 counterfeit Cisco networking parts with an MSRP of \$50,000. Records reveal that AGEMICRO purchased the parts from eBay seller “alex_xu10” on January 30, 2018.

34. Records received from PayPal and Amazon pursuant to Grand Jury subpoenas and email records received from 1&1 Mail & Media Inc. pursuant to search warrants reveal that

AGEMICRO has received approximately \$900,000 USD in proceeds from the sales of counterfeit HP, Cisco and Intel computer networking and memory products from on or about October 1, 2013 to the present. A conservative estimate of the MSRP of these items is approximately \$6.5 million USD.

Conclusion

35. For the foregoing reasons, I state that there is probable cause to believe that Murtaza JUMA and Yusuf JUMA knowingly violated 18 U.S.C § 2320(a)(1).



Corbin Wickman
Special Agent
Homeland Security Investigations

SUBSCRIBED TO AND SWORN TELEPHONICALLY on May 09, 2018.



Dena Hanovice Palermo
United States Magistrate Judge